BUSINESS PLAN - 1991/92

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Province of British Columbia
Ministry of Energy, Mines
and Petroleum Resources

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Ministry Mandate and Priorities

Mission

The Ministry, acting on behalf of present and future British Columbians, ensures that the Province's energy and mineral resources are developed and used in a safe, efficient and environmentally sound manner for the economic benefit of the Province.

Core Values

In pursuit of its mission, the Ministry adheres to the following core values:

- **Efficiency and Effectiveness** - We strive to ensure that the taxpayers' money is used carefully and that the public receives the maximum benefit from our programs and activities.

- **Service Quality and Excellence** - We strive to achieve the best possible performance in the delivery of our services to the general public, industry, elected officials and Cabinet.

- **Open Communications** - We deal openly with our clients in a courteous, responsive and helpful manner.

- **Staff Commitment** - Our achievements depend on our people. We are committed to employment equity and will continue to develop the knowledge and expertise of our staff to enhance service to our industry clients and to members of the public.

Employment Equity and Women's Programs

Employment Equity

The Ministry's Executive Committee is committed to the implementation of a broad-based employment equity strategy. The goal is to guarantee equitable access to employment and career advancement for everyone regardless of race, sex or disability.

An Employment Equity Advisor will lead our Ministry's employment equity strategy over a two-year term. This challenging position will represent employment equity issues at Executive Committee meetings and report to the Executive Director, Revenue and Operational Services. A Co-op student has been hired to support this initiative, and a budget and preliminary action plan have been approved.

Employment equity will challenge us over the next few years in our staffing and development practices to provide equitable employment opportunities to all qualified individuals.

Women's Programs

The Women's Program Working Committee, with representatives from throughout the Ministry, is pursuing the heightened awareness and the initiation of progressive change on issues that impact women. These include the balance of work and family, education and training, and the communication of women's issues. The Committee's action plan for the 1991/92 fiscal year addresses each of these issues.

Service Quality

Providing service which is enthusiastic, flexible, result-oriented, affordable and responsive — this is the **SERVICE QUALITY COMMITMENT**.

Client-directed Service Quality and related initiatives for 1991/92 include:

- Printing and distribution of a Mineral Titles Guidebook and Information Updates.
- Participation in Government-wide "Enquiry B.C." and other toll-free telephone information lines for the general public.
- Participation in a Government-wide guide to public services.
- Continued modernization of the mineral tenure system and the "Titles 2000" project.
- Initiation of in-house employee workshops in customer service and desktop publishing.
- Development of "full service" inhouse desktop publishing capabilities.
- Petroleum Information Marketing System and Gas Administration Management System.
- Expanded profile and circulation of the Energy and Mineral Market Updates.

Staff-directed Service Quality initiatives for 1991/92 include:

- Circulation of the Ministry-wide Service Quality inventory.
- Expanded profile and circulation of the Ministry's newsletter.
- Implementation of a comprehensive Ministry training policy.
- Continued delegation of administrative, personnel, accounting and information services functions to individual Ministry Branches.

Our Ministry's Service Quality Coordinator provides liaison with the Service Quality Secretariat. The pursuit and implementation of our Service Quality initiatives is the responsibility of every employee.

Outlook - Energy Resources Division

In the 1990s, electricity, natural gas and woodwaste will increase their share of British Columbia's energy market. These cleaner, more secure supplies will continue to displace oil. Events, ranging from the Persian Gulf war to "smog alerts," continue to remind us that our reliance on oil can create problems for both our economy and our environment.

In late 1990, the Energy Resources Division published its policy document, "New Directions for the 1990s." In doing so, the foundation has been laid for a less vulnerable, more efficient, and environmentally sustainable energy future for British Columbia.

In the coming years, the Division will implement strategies and programs arising from the four themes contained in "New Directions":

- Clean Energy
- Efficient Energy
- Secure Energy
- Energy for the Economy.

In 1991/92 the main issues to be addressed by the Energy Resources Division include:

- Successful completion and start-up of the Vancouver Island natural gas pipeline.
- Delivery of Fuel Smart, a province-wide off-oil and oil efficiency program, and a variety of other energy management initiatives.
- Beginning a process to determine the best use of electricity from the Columbia River Treaty "downstream benefits" which begin to return to British Columbia in 1998.
- Review of electricity and natural gas export applications to ensure they are in the provincial interest.
- Development of improved public and inter-agency review procedures for petroleum and natural gas exploration activities.

Outlook - Mineral Resources Division

The early 1990s is a period of transition for British Columbia's mining industry. Emphasis is shifting away from precious metal developments towards larger base metal deposits. These new developments will play a major role in sustaining the mining industry by replacing reserves at existing depleting mines. Over $1 billion in new investment is expected over the next few years.

However, this surge in investment is masking a decline in grassroots exploration by junior mining companies. Over the long term, this type of exploration activity is needed to realize the Province's full mineral potential.

Reflecting this general synopsis,the Mineral Resources Division will focus on the following key issues in 1991/92:

- Ensure that the Province's environmental assessment procedures for new mine proposals can meet both our economic and environmental objectives.
- Ensure that mineral tenure and resource management policies continue to foster the discovery and development of our mineral resources consistent with Government's economic, regional development and environment/land use objectives.
- Expand the scope and extent of our geoscience capabilities to meet the information needs of both the private and public sectors.
- Research critical environmental issues that will guide resource mangement policies and improve the environmental performance of the mineral sector.
- Develop a strategy to address the future prospects of British Columbia's coal sector.

Outlook - Revenue and Operational Services Division

For 1991/92, the Petroleum and Mineral Revenue Branches of the Division will focus on:

- Administration of royalties and taxes for petroleum, natural gas, coal and mineral resources.
- Development and implementation of an external audit program for petroleum and natural gas reporting.
- Participation in the development of the Petroleum Information Management System to ensure integration with the Petroleum Royalty Management System.
- Review of the Oil and Natural Gas Royalty System to ensure that an appropriate balance is maintained between Crown revenue and industry competitiveness.
- Development of training programs, taxation guidance manuals and other instruments to promote voluntary compliance with mineral taxation requirements.

For 1991/92, the focus of the Operational Services Branches will be:

- Administrative Services Branch will continue to plan and develop the Ministry's new headquarters office building at the corner of Herald and Blanshard Streets in Victoria.* Construction is expected to begin this fall, with an occupancy date of mid-1993. The building will be named in honour of the late Jack Davis, B.C. Energy and Mines Minister until his death in 1991.
- Financial Services Branch will complete refinement and implementation of the Office Management System, for computerized budget monitoring and control. A new initiative will be the development of an integrated Budget Estimates package using word processing, spreadsheet and graphics software.
- Personnel Services Branch will continue last year's initiatives to involve staff in the development of new programs. Staff participation will continue this year in human resource staffing, development, training, equity programs, and an objectives-based performance planning and review system.
- The Information Systems Branch will develop a strategic information systems technology statement for the Ministry and begin a consolidated Ministry data resource management plan.

The Division will undertake a critical review of all service areas to identify the most effective service oriented and efficient means of delivering its services to internal Ministry clients.

* This modern, 9-storey building, will demonstrate energy efficient technology in its design and operations, and will provide a permanent energy and minerals showcase for the public.

The Economy and the Environment: The Ministry will integrate economic and environmental values in decision-making through the adoption of programs and policies which improve our economy, expand British Columbia's resource base, encourage conservation and reduce waste.

Key Initiatives 1991/92 Fiscal Year

Ministry Environmental Affairs Committee

- The Ministry's Environmental Affairs Committee will meet regularly to review the Ministry's policies and procedures for land use, mine reclamation and project approvals. The Committee will also provide a focal point for staff suggestions on new initiatives to improve the economy, expand the resource base, encourage conservation and reduce waste.

Energy Resources Division

Recognizing the need for the Ministry to show leadership in the relationship between energy and the environment, the following measures will be undertaken.

- Policies and programs outlined in the Energy Policy document "New Directions for the 1990s" will continue to be implemented.
- An improved referral system and public consultation guidelines will be developed for the petroleum and natural gas sector's upstream activities (e.g., seismic, roads, drilling).
- Regulations under the Energy Efficiency Act will be implemented and minimum energy standards (e.g., insulation) in the provincial Building Code will be developed.
- Through consultation with the public, industry and other groups, the Ministry will develop a strategy to reduce carbon dioxide and other greenhouse gas emissions.
- Hydrogen is a clean fuel of the future. Support for research, development and demonstration of hydrogen fuel cell technology will continue.
- Partnerships and programs under "Fuel Smart" — the Province's oil efficiency and off-oil program — will be developed.

Mineral Resources Division

- The Division will continue to actively participate in Government-wide park and wilderness planning processes.

- Cooperative resource management arrangements will be established with a number of Government agencies, including the Ministries of Forests and Environment, to help improve resource decisions.

- Improved procedures for managing mineral exploration and related road developments will be established.

- The Province's commitment to comprehensive environmental assessments for all significant mine developments will be formalized through the Mine Development Assessment Act — to be proclaimed and operational in 1991.

- Research will be expanded in the areas of key environmental impacts, including acid mine drainage, cyanide in tailings and stability of mine rock dumps.

- New policies will be developed in the areas of acid mine drainage, mine rock dumps, and reclamation and standards bonding.

Economic Growth and Regional Development: The Province is committed to maintaining a strong, resilient economy which will enhance the opportunities for British Columbians in all its regions. The Ministry's initiatives in the energy and mineral sectors extend our opportunities by encouraging growth and development of untapped resources and the application of new technology and information.

Key Initiatives 1991/92 Fiscal Year

Energy Resources Division

Energy's role in the economy of British Columbia is vital. It provides us with heat, light and power, and contributes to all manufactured products.

- An extension program to extend power and natural gas service to many areas not currently served will be implemented.
- B.C. Hydro's rate structure will be examined to find ways to encourage more efficient electricity use.
- A new Power Exchange Operation will provide access to B.C. Hydro's transmission system to facilitate short-term electricity trade among utilities, independent power producers, cogenerators and bulk consumers.
- The Vancouver Island natural gas pipeline will be completed and connected to customers in Squamish, the Sunshine Coast and on Vancouver Island. "Clean Choice" grants under the Province's $55-million conversion programs will continue to give residential, commercial and industrial customers incentive to convert during the project's early years.
- Policies and regulations for coalbed methane exploration and horizontal oil and gas drilling will be introduced.
- An inventory of provincial geothermal resources and regional coalbed methane reserves will be published.

Mineral Resources Division

- A new Mineral Development Agreement, under negotiation with the Federal Government, will provide over $1 million in fiscal year 1991/92 to help strengthen and diversify the mineral sector, including funding for geological surveys to assist in targeting mineral opportunities.

- The Iskut Road will be developed to spur exploration and development in the mineral-rich northwest region of the Province.

- Over $1 billion in capital expenditures on new mine development is expected in the next few years.

- Mineral tenure and claim-staking policies will be reviewed to improve security of title and ensure British Columbia's positive investment climate is sustained.

- In recognition of the vital contribution which the coal industry makes to the British Columbia economy, a coal strategy will be developed to help the industry take advantage of future prospects.

- Existing policies related to the assessment and taxation of mine access roads will be reviewed and new options developed.

Services to Industry and the Public: The Ministry's diverse services include public and worker safety, licencing and approvals, titles management, revenue collection, resource assessments, and public information. Our commitments to excellence, efficiency and courtesy are reflected in our planning and day-to-day service.

Key Initiatives 1991/92 Fiscal Year

Energy Resources Division

British Columbia is a major energy producing and consuming province. The Ministry must be in a position to serve both industry and the public.

- New policies for natural gas, introduced in late 1990, will be monitored to guarantee consumer protection through core market supply and fair prices, and to provide for new export opportunities.

- Two new natural gas and petroleum management information systems will become operational: the Gas Administration Management System (GAMS) and the Petroleum Information Management System (PIMS).

- A discussion paper on "orphan" oil and gas wells will be released, followed by consultation with the public and industry. Comments will also be requested from industry to assist with the development of policies on enhanced oil recovery.

- Views from the public and utilities on the disposition of the Columbia River "downstream power benefits," to be returned to the Province beginning in 1998, will be sought.

- An improved review process for small hydro proposals will be developed using input from small hydro producers, B.C. Hydro and the Ministry of Environment.

- A revised "Guide to the Energy Project Review Process" will be published.

Mineral Resources Division

- The first outputs of the Titles 2000 project will improve service to industry clients later in the year. Once completed, the public will have access to mineral titles information through any of the more than 60 Government Agents Offices throughout the province.

- Opportunities for public involvement and consultation in mine project reviews will be enhanced with the new Mine Development Assessment Act. A comprehensive administrative guide to the process will also be published.

- To maintain mining as British Columbia's safest heavy industry, guidelines will be completed for Medical Surveillance programs, the operation of Occupational Health and Safety Committees, and a Mine Emergency Response Plan.

- The Division will address the uncertainties created by recent "overstaking" incidents and the resulting disputes over mineral title.

- An information program will be implemented to help the public better understand the importance of mining to everyday life, geological hazards (such as earthquakes), and the value of the mining industry and its products to British Columbia.

- A "Foreign Market Opportunities for B.C. Mineral Consultants" initiative will be jointly implemented with the B.C. Trade Development Corporation and provincial consulting firms to help market British Columbia expertise around the world.

- Programs to assist in the training and education of free miners will be enchanced.

Revenue and Operational Services Division

- The oil and natural gas royalty systems will be reviewed, in consultation with industry, to identify any further administrative reporting requirements which could be simplified. The use of electronic data transfer from industry sources will be part of this review.

- Training programs and taxation guidance manuals will be developed to assist mineral taxpayers with voluntary compliance under the new Mineral Tax Act.

- The Mineral Tax Information System will allow mineral taxpayer returns to be processed more efficiently, and reduce the time-lag between submission of returns and completion of final assessment notices.

Internal Management: Initiatives through the coming year will continue to consolidate and stabilize our organization, refine our administrative techniques and further upgrade systems so the needs of our clients and Government can be met as effectively and efficiently as possible. There will be a continuing emphasis upon human resource initiatives within the Ministry's organization.

Key Initiatives 1991/92 Fiscal Year

Energy Resources Division

The importance of the energy sector, and its interaction with the economy and environment, demands an effective and responsive organization.

- A review will be completed of the authority to delegate decision-making under the legislation and regulations administered by the Division.
- Staff will be trained on the Petroleum Information Marketing System and Gas Administration Management System.

Mineral Resources Division

- A renamed and reorganized Engineering and Inspection Branch, now called the Resource Management Branch, will provide a more focussed and effective response to client needs. Additional staff resources will provide for an expansion of regional operations to deal more effectively with a broader range of environmental and related issues.
- Additional resources will allow exploration and mine approvals to operate more efficiently in terms of quality and timeliness. This will also ensure that public expectations for access to information and consultation can be met.
- The level and effectiveness of staff training and job enrichment will be increased.

Revenue and Operational Services Division

- The Division has undertaken numerous initiatives to improve customer service, including implementation of the Office Management System, increased delegation of spending authority, and delegation of recruitment and selection to Branch directors and managers. A client satisfaction survey and subsequent action plan to achieve further improvements in service and delivery will be developed.

- A strategic information system plan will be developed to identify short- and long-term technology solutions which will enable the Ministry to meet its business requirements in the most efficient and effective manner.

- Construction for the new Victoria headquarters office building will begin in fall 1991. The Ministry's Design and Planning Committee will continue to work closely with the B.C. Buildings Corporation to ensure that the new building has a user-friendly environment suited to our staff's diverse needs (drafting, resource library, laboratory facilities, general work stations, etc.).

Legislation

Legislation administered by the Ministry of Energy, Mines and Petroleum Resources includes the following:

Coal Act
Economic Development Electricity Rate Act
Energy Efficiency Act
Fort Nelson Indian Reserve Minerals Revenue Sharing Act
Gas Utility Act
Geothermal Resources Act
Hydro and Power Authority Act
Hydro and Power Authority Privatization Act
Hydro Power Measures Act
Indian Reserve Mineral Resource Act
Mineral Land Tax Act
Mineral Prospectors Act
Mineral Resource Tax Act
Mineral Resume Tax Act
Mineral Tax Act
Mineral Tenure Act
Mines Act
Mining Right of Way Act
Ministry of Energy, Mines and Petroleum Resources Act
Natural Gas Price Act
Petroleum and Natural Gas Act
Petroleum and Natural Gas/Vancouver Island Railway Lands Act
Petroleum Corporation Act
Power Act
Sechelt Indian Government District Enabling Act
Utilities Commission Act
Vancouver Island Natural Gas Pipeline Act

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